

The MBE NEWS OBSERVER

The VIRGINIA DEPARTMENT of
MINORITY BUSINESS
ENTERPRISE (VDMBE)

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MINORITY TECHNOLOGY FIRMS – A GROWING COMMODITY IN VIRGINIA

This Information Age has greatly impacted the *face* of commerce in today's economy. Disadvantaged and Minority Business Enterprises (DBEs/MBEs) in traditionally predominated industries, such as retail and services, are now branching out into manufacturing specialized construction, transportation and technology. According to a June 1999 article published in Black Enterprise magazine: "... on the East Coast ... the technology boom has created a new constellation of thriving Information Technology (IT) enterprises. . . The Washington DC metropolitan area, which includes neighboring counties in northern Virginia . . . Fairfax County is home to more technology companies than any other county in the state."

Allegra McCullough, director of the Virginia Department of Minority Business Enterprise (VDMBE), acknowledges the growth in the number of northern Virginia technology firms certifying with the department. "As a matter of fact," Ms. McCullough said, "a current analysis of firms listed in our client database confirms that IT services, along with construction, have become the fastest growing commodities offered by Virginia-based minority-owned firms. This is very

exciting for our department because Governor Gilmore's comprehensive technology initiatives for the Commonwealth of Virginia are presenting a myriad of opportunities for DBE/MBE firms. Keeping MBE firms informed and involved will be a major item on our department's agenda for the year 2001."

Ms. McCullough says the department is also planning a slate of workshops addressing cooperative venturing between MBE firms. "One reason we're formulating workshops on this subject is to encourage assistance to MBE firms in need of technology-related services," Ms. McCullough said. "For progressive minority IT firms, a willingness to joint-venture with other MBEs can be quite rewarding for all parties."

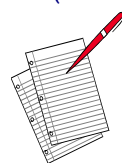
Pictured from left to right are Philip Haynie III of Haynie Farms LLC, Allegra McCullough, director of VDMBE, and Robert Sinclair of SUPRA on grain farm in Heathsville, Virginia.

(See Page 4: TRI-PARTNERSHIP: BLACK FARMERS, SUPRA and VDMBE)

From the Director

Dear Friends:

Carpe Diem, seize the moment! Solve the problems! Do it now! The battle cry is sounded! Minority communities throughout the Commonwealth are exploring entrepreneurial opportunities and developing successful



business enterprise as never before. "Minority businesses," said Governor James S. Gilmore, III, "are an important part of Virginia's economic prosperity . . . As we expand economic opportunities to ensure the prosperity of all Virginians, one way we measure the success of our efforts is to look at how well minority businesses do in competing."


As an advocate for the development, promotion and strengthening of minority businesses, the Virginia Department of Minority Business Enterprise (VDMBE) has been diligent in its purpose for 28 years. Seeking and coordinating the efforts of state agencies, local municipalities, the federal government, and the private sector, VDMBE concentrates on expanding contracting potential for minority businesses in the procurement arena. The 1999 fiscal procurement report indicates that \$302,022,887.08 in goods and services were purchased from minority businesses, or 7.16% of all Virginia procurement. VDMBE's vigilance for commercial opportunities is more widespread than ever before.

We at VDMBE also recognize that good relationships contribute much to ensuring business success. Through an extensive and aggressive outreach agenda, we hope to tap into the massive potential of "all" minority communities, harnessing an economic strength that will continue to support and drive Virginia's financial success. Developing

mentoring relationships, fostering promising partnering prospects, providing information on government processes, and providing innovative forums for entrepreneurial growth and job creation are daily objectives at VDMBE.

All the best to you!
Allegra F. McCullough,
Director

What's new at VDMBE?

- ***The Executive on Loan Program:*** VDMBE has advisors from successful major and minor corporations, the public and private sector available as mentors to its staff and clients.
- ***Partnerships:*** The establishment of strategic community partners is essential to the delivery of VDMBE's programs.  Maintaining lines of communication with clients provides VDMBE with valuable, continuous feedback. (See Inside: Customer Service Survey) This feedback enables us to provide our clients with vital services based on their input rather than a perceived need and crafts a relationship of program ownership. VDMBE is proud to acknowledge the following community entities as partners who strengthen our outreach by sharing information about our services with their membership.

- Virginia Regional Minority Supplier Development Council
- Pan Asian American Chamber of Commerce
- Metropolitan Business League
- Central Virginia Business Association
- Urban League (Virginia Chapters)
- League of Korean Americans (LOKAUSA)
- Pakistan American Business Association
- Virginia's 8 Native American Tribes
- Virginia Hispanic Chamber of Commerce
- Regional SBIRs
- Tidewater Regional Suppliers Council
- Virginia Beach Minority Business Council
- ***Providing Access to Capital for Entrepreneurs (P.A.C.E.):*** Through the administration of the Virginia Small Business Financing Authority, VDMBE provides a loan program for disadvantaged businesses.
- ***VDMBE Web Site with the convening of General Assembly 2001, our web site will present regular legislative updates*** affecting the minority and disadvantaged business communities. Visit us at **www.dmbe.state.va.us**

MINORITY BUSINESS PROFILES

WORKING ON THE DIGITAL DIVIDE

A study released in early 2000 stated that Latinos and African Americans are going on-line in ever-increasing numbers. This fact has spawned a host of investments in Web sites aimed at minority communities, and now many other market research experts are feeling the overall technology gap will close even faster. What's even more promising is the number of minorities and venture capitalists staking joint investments in the *business* of technology. On the national news front, Microsoft has invested \$35 million in a joint venture with Black Entertainment Television to create BET.com; Ervin "Magic" Johnson has hooked up with President Clinton's top telecommunications adviser, Larry Irving, and other investors, to create UrbanMagic.com; and, Hispanic actor Edward James Olmos and baseball player Sammy Sosa have joined forces with other celebrities to create OneNetNow.com.

On the Virginia-front, some minority-owned IT businesses are hiring and contracting racially diverse staff to assist them in providing cutting-edge information technology services.

The Department of Minority Business Enterprise gives a "thumb's up to the following two minority IT companies for their diligent work on closing the "digital divide" in their communities.



FOUNDER OF SOZA & COMPANY: Advocate and Industry Leader

William Soza, CPA, founder, Chairman and Chief Executive Officer of SOZA & Company, Ltd. (pictured) successfully grew his firm from its 1969 inception to its current standing among the top 100 Federal information technology prime contractors (*Washington Technology Magazine*, May 22, 2000).

With more than 600 employees and 220 active contracts in 43 states and five international sites, SOZA consistently delivers sound information technology, management consulting, and financial business solutions to Federal government, state and local government, and commercial clients worldwide. SOZA & Company has been certified with the VDMBE for more than six years.

Mr. Soza is a regional entrepreneurial advocate and industry leader. He was named one of the 100 most influential Hispanics in the United States by *Hispanic Business Magazine* in 1999, and Hispanic Business Man of the Year by the U.S. Hispanic Chamber of Commerce in 1998. For more information about SOZA, visit their web site: www.soza.com

SUPRA: Technology Firm On the Move

SUPRA (Systems Support & Research Associates) Inc., a certified MBE in Falls Church, Virginia recently received a

servicemark (SM) from the US Patent and Trademark Office for its business process engineering and program management skills that results in customized, desktop products. Under the Servicemark SUPRASuite Solutions (SM), the firm hopes to expand into the commercial sector its facility management and document imaging capabilities under two products: the Computer Aided Facility Management (CAFM) Desktop Management Application, and the M6, Document Manager.

The firm has also developed a web-based cultural diversity program called DIVERCITY, a series of interactive technologies, which compliment traditional methods for conducting cultural assessments, simulations, and training.

SUPRA's 1999 partnership with the Philip Morris Management Corporation in Richmond, Virginia is resulting in digital opportunities for small and economically disadvantaged Farmers in rural Virginia. **(See Page 4, picture and story on SUPRA and the NATIONAL BLACK FARMERS)** SUPRA and Philip Morris are co-sponsors of the Farmers ALMANAC for Virginia (FAVA) rural development initiative. For more information about SUPRA, visit their web site: www.supracorp.com.

AGRICULTURE:**Black Farmers****Black Farmers – A Dying Breed?**

In 1920 there were one million Black farm owners in this country. By 1999, that number had dwindled down to approximately 18,000. What's to blame? Experts say the rise of corporate agriculture is the major factor affecting the demise of *all* small farm-owners; but this verity, coupled with other traditional matters facing any socially and economically disadvantaged populace, have caused the decline of Black farm-owners.

The year 1998 was recorded as one of the worst ever for family farmers, and Black farmers -- who are usually generational farmers -- were particularly affected. A brutal combination of low prices, widespread crop disease, and a string of natural disasters all added to the problems facing farmers in 1998. If that was not enough, in 1999, the U.S. Department of Agriculture published an agricultural outlook, which showed that net farm income was expected to decline another 8 percent and continue to fall to the year 2004.

In 1999, Black farmers – organized under John Boyd, president of the National Black Farmers Association – traveled to Washington D.C. to bring their struggle into national focus and raise the poignant question: “Is

there a future in farming for us?”

If one young Black farmer in Virginia has his way, the answer is a resounding yes. Philip Haynie III, a fifth generation farmer is vigorously forming strategic partnerships that will make a profound difference for the future of Black and small farm-owners in Virginia, and across the country.

Pictured: Philip Haynie III of Haynie Farms LLC in Heathsville, Virginia. The Haynie family has been in the farming industry since 1867.

NATIONAL BLACK FARMERS ASSOCIATION'S (NBFA) OUTREACH PROGRAM, SUPRA AND VDMBE: A Tri-Partnership Sealed in Grain, Silicon and Preservation

On a crisp October afternoon, a 25-year old grain farmer, a respected minority-owned technology firm, and a State government representative met in Heathsville, Virginia and formed a unique *tri*-partnership. The minority firm is SUPRA, a northern Virginia, minority-owned firm providing technology throughout Virginia and across the country; the government agency is the Department of Minority Business Enterprise, directed by Allegra McCullough.

During her visit, Ms. McCullough, guided by Philip Haynie, drove a farm tractor and plowed the grain across several yards of ground. “Hearing about the life of small farmers is one thing,” Ms. McCullough said. “But it’s quite another thing to actually get out here and do what these farmers do to earn a living, and provide products to their communities.”

(Continued on Page 5)

Pictured above, left to right: Gloria Taylor Edwards (VDMBE); Bob Chandler (SUPRA); Allegra McCullough (VDMBE); Philip Haynie, III; Loretta Smith (SUPRA); Philip Haynie II; Robert Sinclair (SUPRA); Jaci Poke {not pictured} (VDMBE)

See **Page 5, National Black Farmers Association (NBFA)**

Department of General Services' DPS Moves from Paper

Each year, the Commonwealth of Virginia purchases more than two billion dollars worth of supplies, equipment, printing and professional and non-professional services. If you vend a product or provide a service, Virginia is a potential customer.

Vendors seeking contract opportunities through the Commonwealth of Virginia can now do business the "e-commerce" way by registering on-line with the Department of General Services' Division of Purchases and Supply (DPS). Solicitors can visit the DPS e-Procurement website at: www.state.va.us/dps/Vendors.

Department of Transportation: Project 1-81

The Commonwealth Transportation Board has approved a transportation-funding plan that represents a record \$10 billion investment in highways, public transportation, airports and ports during the next six years. Among this plan is funding for widening and improvement of the 325-mile section of I-81 in Virginia extending from the Virginia-Tennessee border near Bristol to the Virginia-West Virginia state line. If you are a minority, woman or small-owned business providing highway construction related services or goods and want to know more about the Interstate 81 Improvement Projects, call the Department of Minority Business Enterprise at (804) 786-5560 or (800) 223-0671 or e-mail: nmcDaniel@dmbe.state.va.us. For more information on Interstate 81 Projects, visit website: www.vdot.state.va.us/proj/I-81.

UVA MBE Director Appointed to Chair the Historically Underutilized Business (HUB) for Novation

Donald Jones, Director of the Office of Minority Procurement Programs, University of Virginia, Charlottesville, Virginia has been named Chair of the HUB for Novation. Novation is a \$14 billion health care purchasing organization located in Dallas, Texas and has a 15% minority and women-owned business purchasing goal. Minority and women owned firms that manufacture, distribute or sell medical supplies/equipment should call (804) 924-6246 or e-mail: dwj8s@virginia.edu

GUANAJUATO, MEXICO: A THRIVING MARKET

Located in the heartland of Mexico's emerging market, Guanajuato (GTO) offers a strategic location for trade and investment. Being the fifth largest State economy in Mexico, GTO is one of the main suppliers to the US of leather products, fresh and frozen foods, auto-parts and other commodities.

Frank Ramos, Chief Deputy Director of the Department of Minority Business Enterprise, (pictured at event in New York, left to right: Governor of Guanajuato, Mr. Juan Carlos Romero-Hicks; Ms. Blanca Villarello, Director of the New York Guanajuato Trade Office; Mr. Frank Ramos, VDMBE) was invited by the Guanajuato Trade Office to open information technology discussions with GTO. Prior to the New York meeting, Mr. Ramos coordinated an earlier trade mission to GTO with Ms. Villarello, the U.S./Mexico Chamber of Commerce and Mr. John Paul Woodley, the Secretary of Natural Resources. During this Trade Mission, Mr. Ramos and the Virginia business group met with the Honorable Vicente Fox, who was

Governor at that time, but is now the new President of Mexico.

SEE NEXT ISSUE OF MBE NEWS OBSERVER FOR FOLLOW-UP.

NATIONAL BLACK FARMERS ASSOCIATION (NBFA)

Continued from Page 4

After touring several more operations in the Tappahannock area -- including the only Grain Elevator in Virginia partially-owned by African-Americans -- Philip Haynie sealed what promises to be a productive alliance between NBFA, SUPRA and the Commonwealth of Virginia's Department of Minority Business Enterprise. "I'm glad to see a prolific firm such as SUPRA, lending it's technology-expertise to the NBFA. Supporting partnerships like this is what drives a major portion of VDMBE's mission. I hope to see others getting involved to help us preserve this very important part of Virginia's industry, the commerce from Black farm owners." For information about Black farmers, write to NBFA, PO Box 508, Heathsville, Virginia 22473; or e-mail: nbfa@3n.net

VDMBE PROFESSIONAL SERVICES

VDMBE is the primary agency for state certification of minority businesses. Firms certified with us receive free advertising and promotion of their businesses to entities that have been identified as potential procurers of their goods and services. For information about VDMBE's **Certification Program** or how to get your business listed on our Minority Vendors List publication, e-mail: aharris@dmbe.state.va.us.

Through its **Outreach Program**, VDMBE provides direct assistance and information to disadvantaged business owners, state and federal agency procurement officials, the Commonwealth's Historically Black Colleges and Universities (HBCUs) and prime contractors. For information about VDMBE's Outreach Program, e-mail: dwilliams@dmbe.state.va.us; to request data about the agency's Minority Vendors List and other publications, e-mail: gedwards@dmbe.state.va.us. VDMBE's **Highway and Public Construction** section provides management and technical assistance to minority, disadvantaged and women-owned firms seeking to engage in the state's highway and public construction projects. For information about Highway and Public Construction, e-mail: nmcdaniel@dmbe.state.va.us. **P.A.C.E. (Providing Access to Capital for Entrepreneurs) Program** provides access to hard resources for Virginia businesses by encouraging lenders to make loans to economically disadvantaged businesses. A list of Virginia lenders participating in P.A.C.E. is available through VDMBE. For more information about P.A.C.E., e-mail: eriley@dmbe.state.va.us

NEWS FLASH! LEGISLATIVE UPDATE! NEWS FLASH! LEGISLATIVE UPDATE!

The Consolidated Appropriations Act for FY 2001 included a bill introduced by Rep. J.C. Watts, Jr. of Oklahoma and signed into law in December by President Bill Clinton, establishing a **New Markets Venture Capital Program**. The bill increased Small Business Loans and created *Community Development Entities* (CDE). FOLLOW-UP IN NEXT ISSUE OF *MBE NEWS OBSERVER*. To view this Bill, visit our website at: www.dmb.state.va.us

HAPPENINGS:

MARTIN LUTHER KING CELEBRATION 2001

For Information on MLK Celebration 2001, visit website: www.thekingcenter.com/

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Please check one of the following to identify your business type:

Please check the type of assistance we provided to you (you may check more than one):

☐ VDMBE Certification ☐ VDOT Certification ☐ Procurement or Contract Assistance
☐ Technical Assistance ☐ Management Advice ☐ Workshop (networking) ☐ Referral
☐ MBE Vendor List Information ☐ VDMBE Resource information
☐ Other (Please indicate service received) _____

1.) How would you rate the service you received from VDMBE?

____Excellent ____Good ____Fair ____Poor

Briefly state what would you like to see improved in the service you received from VDMBE. If you do not feel the service you received needs improvement, please indicate.

2.) What major topics would you like to see covered during VDMBE's 2001 Workshop Agenda?

a) _____ b) _____

c) _____ d) _____

3.) What additional services, if any, would you like to see offered by the department?

a) _____ b) _____

c) _____ d) _____

4.) Any other comments or suggestions?

5.) If you would like a VDMBE representative to contact you, please give us the following information:

Your Name

Your Agency/Business/Organization's Name

| Telephone number, including area code | E-mail Address |
|---------------------------------------|----------------|
| | |

THANK YOU FOR TAKING THE TIME TO COMPLETE OUR CUSTOMER SERVICE SURVEY.

The Virginia Department of Minority Business Enterprise
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OUTREACH PROGRAMS/CUSTOMER SERVICE SURVEY
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